

Private projects to meet utility demand in northern emirates

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Dubai: A number of private power and utility projects for the northern emirates are expected to be approved by the federal government in the coming months that could help meet soaring demand driven by massive housing projects in Ajman, government sources said.

Last year, the Cabinet decided to allow private utility contractors to develop power generation and water desalination projects in the northern emirates, under the supervision of the Federal Electricity and Water Authority (Fewa).

"As per the cabinet decision, Fewa is promoting private investment in utilities and this will continue in meeting the increasing demand in the sector," Abdullah Al Ghasyah, executive director of Supply at Fewa said in a statement, responding to Gulf News queries.

Another government source said some international companies have already expressed interest in developing utility projects in the northern emirates.

"The government is yet to take any decision on them. However, once approved, these projects could meet the rising demand for power and water in the northern emirates," the source said.

Al Ghasyah said Fewa is committed to a minimum eight per cent annual growth in power and water demand, although private sector officials estimate the emirate's GDP growth at 27 per cent and population growth at 18 per cent currently.

By the second half of 2009, a number of towers will be ready on either side of the Emirates Road in Ajman where residents are expected to start living in their freehold homes.